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Financing and liquidation of the United Nations Transitional Authority in Cambodia

Comprehensive evaluation of all aspects of the administration and management of the United Nations Transitional Authority in Cambodia

Report of the Advisory Committee on Administrative and Budgetary Questions

1. The Advisory Committee on Administrative and Budgetary Questions has considered the report of the Secretary-General (A/51/777), dated 20 January 1997, which contains the comprehensive evaluation of all aspects of the administration and management of the United Nations Transitional Authority in Cambodia (UNTAC), and an advance copy of the report of the Secretary-General dated 6 March 1998 (A/52/819), which contains updated information on the status of the special account of UNTAC and its additional financial requirements. During its consideration of the reports, the Advisory Committee met with representatives of the Secretary-General, who provided additional information.

2. The Advisory Committee recalls that the Security Council, in its resolution 717 (1991) of 16 October 1991, established a United Nations Advance Mission in Cambodia (UNAMIC) following the signature of the Paris agreements on a comprehensive political settlement of the Cambodian conflict. On 28 February 1992, the Security Council, in its resolution 745 (1992), established the United Nations Transitional Authority in Cambodia (UNTAC) for a period not to exceed 18 months. UNTAC absorbed UNAMIC. In resolution 840 (1993) of 15 June 1993, the Security Council endorsed the results of the election held from 23 to 28 May 1993.

3. The Committee also recalls that the General Assembly, in its resolution 48/255 of 26 May 1994, requested the Secretary-General to provide a comprehensive evaluation of all aspects of the administration and management of UNTAC, with a view to utilizing the experience in all other peacekeeping operations. In addition, the Advisory Committee, in paragraph 19 of its report on the financing and liquidation of the Mission (A/49/867), further requested that the mentioned report include information on losses, through any means, of assets of peacekeeping operations that had occurred in the past three years. Upon inquiry, the Committee was informed that that information would be provided in a separate report to be submitted to the General Assembly during May 1998.

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4. The Advisory Committee commends the Secretary-General for the excellent quality of the evaluation report submitted (A/51/777). The report not only provides a good analysis, outlining the different problems that were encountered throughout all phases of the Mission and indicating the different measures that were taken to alleviate or resolve those problems, but it also points out the new policies and procedures that were instituted as a result of the lessons learned in the administrative and management areas from the UNTAC experience, thus enhancing the Organization's capacity in the area of peacekeeping. Paragraph 103 of the Secretary-General's report further indicates that "enhancing the Organization's capacity in the area of peacekeeping, as well as improving the efficiency and cost-effectiveness of field operations, are constant, ongoing processes, requiring support and assistance from the Member States and their individual and collective input of expertise, personnel and other resources".

5. In paragraph 104 of his report, the Secretary-General further points out that the thread running through the report and others presented in relation to improving the capacity of the Organization for peacekeeping, is that "the lack of human resources, and scarcity of skilled and experienced staff and the need for such staff both at Headquarters and in the field, not only constrains the ability of the Organization as a whole and of the individual missions to resolve many problems and shortcomings, but in fact also leads to the creation of some of those very problems".

6. The Committee sought further information in this regard and was informed that a joint working group from the Department of Peacekeeping Operations and the Office of Human Resources Management was currently addressing some of the personnel issues. Moreover, the Committee requested an update on the status of development of some of the measures mentioned in the report, such as the preparation of an air operations manual to ensure maximum efficiency and effectiveness of air resources (para. 84), among others. The information provided to the Committee is attached as annex I to the present report.

7. The Advisory Committee recommends that the General Assembly take note of the report of the Secretary-General. The Secretary-General should be encouraged to continue the evaluation exercise for other peacekeeping operations. These evaluations should include an analysis not only of problems encountered and measures undertaken to correct those shortcomings, but also of those problems which are still unsolved, and should contain proposals for solutions.

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8. As indicated in annex II to the report of the Secretary-General (A/52/819), resources made available to the Mission, for the period from inception on 1 November 1991 to 31 March 1994, amount to $1,796,629,200 gross ($1,768,006,900 net). Expenditures for the same period amount to $1,652,007,800 gross ($1,628,298,500 net), and an amount of $162,345,800 gross ($160,941,000 net) was credited to Member States. The Committee notes that expenditures reported include the unliquidated obligations of $15,673,100 indicated in annex V to the report. The Committee was informed that this amount corresponds to amounts due to Governments only.

9. Paragraph 14 of the same report indicates that a total net amount of $1,568,169,603 has been assessed on Member States for the period from 1 November 1991 to 30 June 1994 for both UNAMIC and UNTAC, while contributions received as of 31 January 1998 totalled $1,521,989,620 for both operations, resulting in an outstanding balance of $46,179,983.

10. From the information provided in annexes I and II to the report, the Committee notes that an amount of $34,435,000 has been credited to the special account of UNTAC, which consists of $6,944,000 in interest income, and $27,491,000 in miscellaneous income. The Committee was informed during its hearings that the income related to the disposal of the Mission's assets is included under other miscellaneous income ($5,983,000). Moreover, the amounts provided to the Committee indicated income from the sale of vehicles of $2,124,886 and from the sale of equipment of $2,961,837. The Committee further notes, however, that from the total amount credited as income, $32,562,900 gross ($25,691,600 net) would be utilized to cover the appropriation mandated by the General Assembly in paragraph 9 of its resolution 48/255, which has not been assessed.

11. The Committee requested additional information with regard to the expenditures associated with the liquidation phase of UNTAC for the period from 1 October 1993 to 31 December 1995. The information received is attached as annex II to the present report. The Committee notes that, of the total appropriated amount of $66,902,600 gross, expenditures reported total $70,225,500.

12. The Secretary-General's report (para. 13 and annex III) indicates that an additional amount of $17,724,400 is

required for the period from 1 November 1991 to 30 June 1997. This results from additional requirements for military personnel costs ($32,058,900), which includes over-expenditures of $6,519,900 under military contingents, additional requirements of $1,277,900 under death and disability, and additional requirements of $24,378,600 under contingent-owned equipment. The Committee was informed that the additional requirements for death and disability do not provide for any additional claims that could be received and that, of the 21 claims received in connection with contingent-owned equipment, all but one had been reviewed and certified. Moreover, of the total estimated amount of $64.6 million for such claims, an amount of $38.5 million has already been reimbursed to Governments.

13. As regards the over-expenditure of $2,731,400 under air operations, the Committee was informed that this resulted from the increase in the number of hours flown by the helicopters during the elections, which led to an increase in the cost of aviation fuel and lubricants for the entire operation. In view of the security situation and inadequacy of runways capable of handling medium and heavy fixed-wing aircraft, helicopters had to be used for the movement of personnel and supplies.

14. The actions to be taken by the General Assembly at its resumed fifty-second session are indicated in paragraph 16 of the report of the Secretary-general (A/52/819). With regard to paragraph 16 (a), the Committee notes that the assessment of the amount of $32,562,900 gross ($25,691,600 net), appropriated by the General Assembly in its resolution 48/255, would be offset by the same amount, composed of interest income and miscellaneous income, in accordance with paragraph 9 of resolution 48/255, and mentioned in paragraph 10 above. The Committee further recommends the appropriation and assessment of the additional amount of $17,724,400 gross ($21,232,600 net) indicated in paragraph 16 (b) of the report of the Secretary-General. As regards the decision on the treatment of the balance of the cumulative miscellaneous income of $8,743,400 indicated in paragraph 16 (c), the Committee recommends that it be credited back to Member States in a manner to be decided by the General Assembly. In connection with the action involved in paragraph 16 (d), the Committee recalls that, in its previous report (A/49/867), it had already indicated that it had no objection to the application to UNTAC of the special arrangements as regards article IV of the Financial Regulations. In connection with paragraph 16 (e), the General Assembly may wish to transfer any surplus arising from the eventual liquidation of the remaining obligations in the special account of UNTAC to the Peacekeeping Reserve Fund, as it decided in paragraph 14 of resolution 50/246 of 17 September 1996 on the financing of the United Nations Observer Mission in El Salvador (ONUSAL).

Annex I

Implementation of tasks identified in the report of the Secretary-General of 20 January 1998 (A/51/777) on comprehensive evaluation of all aspects of the administration and management of the United Nations Transitional Authority in Cambodia

1. In the above-mentioned report, the Secretary-General indicated that further actions need to be taken in a number of areas to enhance the capacity of the Organization in supporting and managing its peacekeeping operations. First of all, this relates to the fundamental issue of availability of personnel with requisite experience and knowledge of United Nations policies and procedures. In order to address some of the human resources-related problems, the Department of Peacekeeping Operations and the Office of Human Resources Management established a working group on personnel issues, within the framework of which the following issues are discussed and actioned:

(a) Requirements of peacekeeping operations as regards Chief Administrative Officers and other key administrative personnel;

(b) Personnel policy development, including the development of the 300 series of appointments of limited duration specifically designed to meet the needs of field missions and simplify personnel administration;

(c) Compensation and contractual issues involved in the employment of field personnel;

(d) Monitoring of the exercise of delegated authority in the recruitment and placement of staff and the administration of their salary, benefits and entitlements.

2. In cooperation with the Office of Human Resources Management, the Field Administration and Logistics Division of the Department of Peacekeeping Operations introduced a number of measures which improved the efficiency of personnel recruitment and deployment practices, which resulted in better planning of mission staffing requirements, diversification of personnel recruitment sources and reduced the recruitment cycle to four to six weeks. Better control over recruitment and staffing processes, and tracking and management of travel and vacancies have been introduced with the development of the Personnel Module of the Peacekeeping Database. Training and development of personnel for field assignments is now ongoing both at Headquarters and, as far as practicable, in the field.

3. Another group of problems relates to the responsiveness of the Organization's policies and practices in providing administrative support to the field operations. The Field Administration and Logistics Division actively participates in addressing these issues in the context of a number of working groups that were established by the Task Force on Common Services in June 1997 in such areas as procurement, transportation and traffic operations (including issuance of claims), information technology (including telecommunications and networks), the Integrated Management Information System, personnel services, financial and legal services. The work in these groups is progressing steadily.

4. On the specific issues related directly to the Field Administration and Logistics Division of the Department of Peacekeeping Operations, the following progress has been achieved (as per the pertinent paragraphs of the report of the Secretary-General):

Paragraph 28	Global Memorandum of Understanding between the United Nations Secretariat and the United Nations Volunteers programme on participation of United Nations Volunteers in peacekeeping operations is under preparation;
Paragraph 31	From 1996 to 1998, 11 regional workshops and training seminars were organized in New Delhi, Cairo, Turin, Rio de Janeiro, Accra, Singapore, Lusaka and other cities for representatives of Member States responsible for the selection of military observers and civilian police for peacekeeping mission assignment, in order to familiarize them more effectively with, *inter alia*, the training and qualifications criteria established by the Organization;
Paragraph 59	The Field Administration and Logistics Division is finalizing preparation of specifications for standardization of prefabricated buildings in peacekeeping operations;

Paragraph 84	The Field Administration and Logistics Division issued the Aviation Safety Manual in 1997 and the Aviation Vendors and Aircraft Inspection Checklist in 1998, and is finalizing preparation of the Air Operations Manual and the Aviation Safety Survey Checklist;
Paragraph 100	(Provisional) Guidelines for the Liquidation of Field Missions were promulgated in 1996.

Annex II

United Nations Transitional Authority in Cambodia: expenditures-liquidation phase from 1 October 1993 to 31 December 1995 as at 28 February 1998

(In United States dollars)

	Approved resources				
	1 October to 31 December 1993	*1 January to 30 June 1994*	*Total*	*Expenditure*	*Variance*
	(1)	*(2)*	*(3)=(1)+(2)*	*(4)*	*(5)=(3)-(4)*
1. Military personnel costs					
(a) Military observers	1 863.9	—	1 863.9	1 799.0	64.9
(b) Military contingents	10 446.3	—	10 446.3	10 852.0	(405.7)
(c) Other costs pertaining to military personnel	—	—	—	1 369.0	(1 369.0)
Total, line 1	**12 310.2**	**—**	**12 310.2**	**14 020.0**	**(1 709.8)**
2. Civilian personnel costs					
(a) Civilian police	308.0	—	308.0	303.0	5.0
(b) International and local staff	14 763.1	6 664.2	21 427.3	24 762.0	(3 334.7)
(c) United Nations Volunteers	1 177.5	319.5	1 497.0	—	1 497.0
Total, line 2	**16 248.6**	**6 983.7**	**23 232.3**	**25 065.0**	**(1 832.7)**
3. Premises/accommodation	2 282.5	289.0	2 571.5	2 425.0	146.5
4. Infrastructure repairs	22.1	—	22.1	—	22.1
5. Transport operations	1 628.3	36.0	1 664.3	1 964.0	(299.7)
6. Air operations	6 832.2	40.0	6 872.2	7 330.0	(457.8)
7. Naval operations	323.0	—	323.0	—	323.0
8. Communications	1 007.6	60.0	1 067.6	849.0	218.6
9. Other equipment	188.2	—	188.2	258.0	(69.8)
10. Supplies and services	2 534.9	151.0	2 685.9	2 945.0	(259.1)
11. Election-related supplies and services	—	—	—	—	—
12. Public information programmes	—	—	—	—	—
13. Training programmes	—	—	—	—	—
14. Mine-clearing programmes	—	—	—	—	—

	Approved resources				
	1 October to 31 December 1993	*1 January to 30 June 1994*	*Total*	*Expenditure*	*Variance*
	(1)	*(2)*	*(3) (1)+(2)*	*(4)*	*(5) (3)-(4)*
15. Assistance for disarmament and demobilization	—	—	—	—	—
16. Air and surface freight	11 082.3	—	11 082.3	9 676.0	1 406.3
17. Support account for peacekeeping operations	1 254.9	566.5	1 821.4	1 822.0	(0.6)
18. Staff assessment	2 017.2	1 044.4	3 061.6	3 871.5	(809.9)
19. Integrated Management Information System	—	—	—	—	—
Gross total, lines 1-19	**57 732.0**	**9 170.6**	**66 902.6**	**70 225.5**	**(3 322.9)**
20. Income from staff assessment	(2 017.2)	(1 044.4)	(3 061.6)	(3 871.5)	809.9
Net total, lines 19-20	**55 714.8**	**8 126.2**	**63 841.0**	**66 354.0**	**(2 513.0)**